

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

CUSTOMER NO. 22927

Appellants: Jay S. Walker, James A Jorasch, Daniel E. Tedesco,
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Application No.: 09/855,300 Filed: May 15, 2001

Title: SYSTEM FOR PROVIDING OFFERS USING A BILLING
STATEMENT

Confirmation No.: 8793
Attorney Docket No.: 00-030

Group Art Unit: 3622
Examiner: VAN BRAMER, John W.

REPLY BRIEF

**BOARD OF PATENT APPEALS
AND INTERFERENCES**

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Appellants hereby submit remarks in this Reply Brief pursuant to 37 C.F.R. § 41.41 and in response to the Examiner's Answer mailed on October 19, 2007 (the "Examiner's Answer"). This Reply Brief is submitted as a supplement to the Appeal Brief filed on July 12, 2007 (the "Appeal Brief") and should, if applicable, be considered as a request to maintain the current appeal to the Board of Patent Appeals and Interferences from the decision of the Examiner in the Final Office Action mailed June 30, 2006 rejecting claims **1-19 and 40-42**.

REMARKS

I. No New Grounds of Rejection

Appellants note that the Examiner has, in the Examiner's Answer, not altered or added any grounds of rejection with respect to the claims being appealed. Accordingly, this Reply Brief is submitted voluntarily pursuant to 37 C.F.R. §41.41.

II. Incorrect Grounds of Rejection

Appellants respectfully note that the “*Claim Rejections – 35 USC 112*” section of the Examiner's Answer that appears on pages 4 to 5 need not have been included because claims **38 and 39** are not under appeal. In addition, there appears to be a typographical error on page 20 of the Examiner's Answer as the Appellants believe that the heading closest to the top of page 20 should read: “*35 USC §103(a) rejection of Claims 3-9, 14-19, 22, 24-29 and 32-34*” (emphasis added); rather than citing section “102”.

III. Carson et al. Does Not Anticipate Claims 1, 2 and 10-13

Appellants incorporate by reference herein the arguments on pages 19-34 of the Appeal Brief that traverse the 35 U.S.C. §102(b) rejections of claims **1, 2 and 10-13**, and specifically reference the arguments made on pages 20-22 of the Appeal Brief that concern the differences between the offer pointer recited by claim **1** and the markings that appear on page 331 of the cited publication of Carson et al., “College Accounting”, Eighth Edition, 1967; Southwestern Publishing Company (hereinafter “Carson”). Those arguments exemplify the

attempts made by the Appellants during prosecution to explain to the Examiner that the claimed *offer pointer associated with the transaction, wherein the offer pointer comprises information for use to review an offer*, is **not equivalent** to the markings appearing in the “Statement of Consignment Sales” shown on page 331 of Carson. While Appellants believe that the previous remarks incorporated by reference herein adequately point out the differences, a further example is provided immediately below to further clarify some distinctions.

Appellants respectfully submit that the Examiner continues to ignore the limitation of claim 1 that the offer pointer *comprises information for use to review an offer*. This phrase clarifies the offer pointer as being a vehicle for use to access an offer that is outside the confines of the billing statement. For example, a consumer who purchased a tennis racket could receive a credit card billing statement that includes a transaction identifying the tennis racket purchase and an offer pointer associated with that transaction, wherein the offer pointer is a toll free telephone number. The toll free telephone number is *for use to review an offer*, which offer could be, for example, an offer for tennis equipment provided by a tennis supply retailer. As illustrated by this example, the offer pointer allows a retailer to present a customized offer to a consumer based on details of the transaction, which also advantageously increases the likelihood that the consumer will accept such an offer (See application, page 4, line 28 to page 5, line 6, and page 6, lines 7-17). In addition, the complexity of an offer and the number of offers is no longer limited by space constraints imposed by a billing statement (See application, page 5, lines 7-14).

In contrast, Carson illustrates a conventional, self-contained billing statement that includes all required billing and offer information, and therefore there is no need to provide an offer pointer. In particular, line 8 of the Carson

statement recites: “LESS 2% SPECIAL COMPENSATION, IF EARNED (SEE NOTE BELOW) (-)”, and includes an amount of money “2.36” that could be deducted if, as explained by the “AGENT PLEASE NOTE” section at the bottom of the statement page, an “Agent” mails the report with a check before the seventh day of the month. Thus, the verbiage on line 8 is *not* an offer pointer, but is in fact *the offer*, and conditions concerning that offer appear at the bottom of the page. Unnecessary complexity would be introduced by including an offer pointer on Carson’s billing statement, because the Agent does not need to access an offer outside the confines of the statement itself.

In addition, nothing in line 8 can be construed as being an offer pointer *associated with the transaction* as required by claim 1; rather the number “2.36” concerns the billing statement *as a whole*. Yet further, neither the verbiage appearing in line 8 nor in the “AGENT PLEASE NOTE” section of Carson could be construed as an offer pointer that *comprises information for use to review an offer* as required by claim 1 and as defined in Appellants application. In fact, the “AGENT PLEASE NOTE” section merely includes an explanation of how an agent qualifies for a 2% deduction (which is a static, non-customizable number included in all such statements).

Accordingly, Appellants submit that the Section 102(b) rejection of claims **1, 2 and 10-13** cannot stand.

IV. Carson Does Not Anticipate Any of the Method Claims 40-42

Appellants incorporate by reference herein the arguments appearing on pages 35 to 48 of the Appeal Brief traversing the 35 U.S.C. §102(b) rejections of claims **40, 41 and 42**. In short, those arguments exemplify Appellants’ attempts to point out to the Examiner that the “Statement of Consignment Sales” disclosed by

Carson fails to teach or even suggest the claimed methods. In particular, Appellants submit that the claimed processes are *not equivalent* to anything illustrated on the “Statement of Consignment Sales” described by Carson. While Appellants believe that the previous remarks incorporated by reference herein adequately point out the differences, further remarks are provided as follows to hopefully further clarify some distinctions, as well as to address statements made by the Examiner in the Examiner’s Answer.

A. The Process of Claim 40 is Not Taught or Suggested by Carson

The Examiner’s Answer does not address the argument made in the Appeal Brief that Carson fails to teach or even suggest any process, much less the processes recited by claim 40. In particular, Carson fails to teach:

receiving transaction information;
determining an offer pointer based on the transaction information, the
offer pointer including information for use to review an offer; and
transmitting an offer pointer to a customer via a billing statement.

Instead of addressing the process as claimed, the Examiner continues to assert that the verbiage printed on line 8 of Carson is an offer pointer (see pages 16-17 of the Examiner’s Answer). As best understood, the Examiner’s argument apparently is that Carson’s “Statement of Consignment Sales” includes an offer pointer, and thus it somehow inherently discloses the method of claim 40. Appellants respectfully submit that such an argument is incorrect for the reasons submitted in the Appeal Brief, and because no substantial evidence has ever been provided concerning how the statement of Carson was generated or transmitted.

The Examiner also states:

“The offer itself, in which the pointer directed the customer [sic., “customer’s] attention indicates that [a] copy of the billing statement needs to be mailed to the biller with a copy of the check. Therefore, the customer is direct [sic., “directed”] to contact the biller via postal mail and include the payment along with a copy of the billing statement in order to receive the offer. This clearly meets the limitations of claim 1 as currently written.” (Examiner’s Answer, page 17.)

The Examiner is apparently referring to the verbiage at the bottom of Carson’s statement that directs the Agent to mail a copy of the report on or before the seventh day of the month to earn the two-percent deduction. These directions do **not** constitute an offer pointer as the Examiner is apparently asserting, instead the directions define the condition that must be met in order to earn the two percent deduction that is included on the statement itself. In addition, this quoted section demonstrates that the Examiner may have some confusion with regard to the limitations recited by method claim **40**, because it shows that the Examiner may have compared the referenced verbiage of Carson to “the limitations of claim **1**” instead of to those of claim **40**.

In view of the above remarks, Appellants respectfully submit that there has been no showing of how Carson teaches or even suggests *determining an offer pointer based on the transaction information, or transmitting an offer pointer to a customer via a billing statement* as required by claim **40**, and therefore that this Section 102 rejection cannot stand.

B. The Process of Claim 41 is Not Taught or Suggested by Carson

The Examiner's Answer does not address the argument made in the Appeal Brief that Carson fails to teach or even suggest any process, much less the processes recited by claims **41**. In particular, Carson fails to teach:

receiving transaction information;
determining an offer based on the transaction information;
determining an offer pointer, the offer pointer including information
for use to review an offer; and
transmitting the offer pointer to a customer via a billing statement.

Again, instead of addressing the process as claimed, the Examiner continues to assert that the verbiage printed on line 8 of Carson is an offer pointer (see page 18 of the Examiner's Answer). The argument being made is apparently that Carson's "Statement of Consignment Sales" illustrates an offer pointer, and thus the statement somehow inherently discloses the process recited by claim **41**. Appellants respectfully submit that such an argument is incorrect for the reasons submitted in the Appeal Brief, and because no substantial evidence has ever been provided concerning how the statement of Carson was generated or transmitted.

In addition, the Examiner again states:

"The offer itself, in which the pointer directed the customer [sic., "customer's"] attention indicates that a copy of the billing statement needs to be mailed to the biller with a copy of the check. Therefore, the customer is direct [sic., "directed"] to contact the biller via postal mail and include the payment along with a copy of the billing statement in order to receive the offer. This clearly meets the limitations of claim 1 as currently written." (Examiner's Answer, page 18.)

This statement is apparently a reference to the verbiage at the bottom of Carson's statement that directs the Agent to mail a copy of the report on or before the seventh day of the month to earn the two-percent deduction. These directions do *not* constitute an offer pointer as the Examiner is apparently asserting, instead the directions define the condition that must be met in order to earn the offer that is included on the statement itself. In addition, the Examiner may also have some confusion with regard to the limitations recited by method claim **41**, as the quoted section shows that the Examiner may have compared the referenced verbiage of Carson to "the limitations of claim 1" instead of to claim **41**.

In view of the above remarks, Appellants respectfully submit that there has been no showing of how Carson teaches or even suggests *determining an offer based on the transaction information*, or of *determining an offer pointer, the offer pointer including information for use to review an offer* as required by claim **41**, and therefore that this Section 102 rejection cannot stand.

C. The Process of Claim 42 is Not Taught or Suggested by Carson

The Examiner's Answer does not address the argument made in the Appeal Brief that Carson fails to teach or even suggest any process, much less the processes recited by claims **42**. In particular, Carson fails to teach:

receiving from a customer an offer pointer associated with a transaction on a billing statement; and

transmitting an offer to the customer, the offer being associated with the offer pointer.

Yet again, instead of addressing the process as claimed, the Examiner continues to assert that the verbiage printed on line 8 of Carson is an offer pointer (see page 19 of the Examiner's Answer). The Examiner apparently is arguing that because Carson's "Statement of Consignment Sales" illustrates an offer pointer, it also somehow inherently discloses the method of claim **42**. Appellants respectfully submit that such an argument is incorrect for the reasons submitted in the Appeal Brief, and because no substantial evidence has ever been provided concerning how the statement of Carson teaches or suggests *receiving an offer pointer from a customer or transmitting an offer to the customer* as recited by claim **42**.

The Examiner again states:

"The offer itself, in which the pointer directed the customer [sic., "customer's"] attention indicates that a copy of the billing statement needs to be mailed to the biller with a copy of the check. Therefore, the customer is direct [sic., "directed"] to contact the biller via postal mail and include the payment along with a copy of the billing statement in order to receive the offer. This clearly meets the limitations of claim 1 as currently written." (Examiner's Answer, page 19.)

This is an apparent reference to the verbiage at the bottom of Carson's statement that directs the Agent to mail a copy of the report on or before the seventh day of the month to earn the two-percent deduction. These directions do **not** constitute an offer pointer as the Examiner is apparently asserting, instead the directions define the condition that must be met in order to earn the offer amount that is included on the statement itself. In addition, the Examiner may also have some confusion with regard to the limitations recited by method claim **42**, as the quoted verbiage shows that the Examiner may have compared the referenced verbiage of Carson to "the limitations of claim **1**" instead of to claim **42**.

The Examiner also asserts:

“The appellants additionally argue that there is no substantial evidence that supports the serving agent receiving the statement. However, Carson discloses that the “Total List Sales” to date is 840.99 based upon the last report. The list sales for the current month are 168.47. Therefore, the recipient of the billing statement has successfully received billing statements and sent payments during previous months.” (Examiner’s Answer, page 20)

Although this may be true, such a process involving Carson’s statement does *not* meet the limitations of claim **42**. In particular, Carson does not teach or suggest an offer pointer, instead it contains an offer for a two-percent deduction that appears month after month and can be earned simply by mailing the report with a check before the seventh day of the month. Accordingly, Carson *cannot* teach or suggest *receiving from a customer an offer pointer associated with a transaction on a billing statement*. Furthermore, Carson’s statement already includes an offer printed thereon, and thus does *not* teach or suggest *transmitting an offer to the customer, the offer being associated with the offer pointer*. Accordingly, Appellants respectfully submit that there has been no showing of how Carson teaches or even suggests the steps required by claim **42**, and therefore that this Section 102 rejection cannot stand.

V. Dependent Claims 3-9 and 14-19 are Patentable Over Carson

Appellants incorporate by reference herein the arguments appearing on pages 53 to 90 of the Appeal Brief traversing the 35 U.S.C. §103(a) rejections of dependent claims **3, 4, 5, 6, 7, 8, 9, 14-16, 17, 18 and 19**. In short, each of these claims directly or indirectly depends upon claim **1** which is patentably distinct from Carson. In addition, Appellants attempted to point out to the Examiner in the Appeal Brief that not only does Carson’s “Statement of Consignment Sales” fail to

teach or suggest the features of a billing statement recited by claim 1, Carson also fails to teach or suggest the elements recited by these dependent claims. While Appellants believe that the previous remarks incorporated by reference herein adequately distinguish these claims from Carson, provided below are further remarks to address statements made by the Examiner in the Examiner's Answer.

A. Carson's Statement Does Not Teach Or Suggest an Offer Pointer Because There is No Reason to Go Outside the Confines of Carson's Statement to Review an Offer

Carson's "Statement of Consignment Sales" includes an offer for a two-percent deduction on line 8, that includes a direction to see a note at the bottom for the conditions that apply. Thus, Carson is a conventional, self-contained billing statement that includes all required billing and offer information. It is therefore unnecessary to provide any additional information, or to point the Agent to any information outside the confines of the statement, as everything the Agent needs to know is printed thereon.

In contrast, claim 1 recites an offer pointer associated with the transaction, and requires that the offer pointer *comprises information for use to review an offer*. The offer pointer is a vehicle for use to access an offer that is obtainable outside the confines of the billing statement. As explained in the present application, in some embodiments the offer pointer allows a retailer to present customized offers to consumers based on transaction details, which also advantageously increases the likelihood that the consumer will accept such an offer. Furthermore, complex offers and a number of offers can be presented to the consumer without worrying about space constraints imposed by a conventional billing statement. The offer

pointer is further defined in the various dependent claims, and Appellants respectfully submit that Carson does not teach or suggest any such offer pointers, because there is no need to introduce unnecessary complexity into the Carson statement. In particular, the Agent does not need an offer pointer because all of the required information is already within the confines of the statement itself. Accordingly, Appellants respectfully submit that no substantial evidence has been provided to show:

- That it would have been obvious to one of skill in the art at the time the Appellants invention was made to include an offer pointer comprising a Uniform Resources Locator (claim 4);
- That it would have been obvious to one of skill in the art at the time the Appellants invention was made to include an offer pointer comprising a Uniform Resources Locator and a code for submission to a website (claim 5), or wherein the code is associated with the offer (claim 6);
- That it would have been obvious to one of skill in the art at the time the Appellants invention was made to include an offer pointer comprising a telephone number (claim 7);
- That it would have been obvious to one of skill in the art at the time the Appellants invention was made to include an offer pointer comprising a telephone number and a code for submission to a website (claim 8), or wherein the code is associated with the offer (claim 9).

Furthermore, because Carson does not teach or suggest an offer pointer, and because there is no need to introduce unnecessary complexity into the Carson

statement by including any information for the Agent to review that is outside the confines of the statement, Appellants respectfully submit that no substantial evidence has been provided to show:

- That it would have been obvious to one of skill in the art at the time the Appellants invention was made to “set different terms for different offers to give the biller more latitude to select offers to present”, which includes an offer to reduce an interest rate on an amount owed (claim **14**), or wherein the offer is an offer to extend a due date by which a minimum due amount is due (claim **15**); or wherein the offer is an offer to eliminate a minimum amount due (claim **16**);
- That it would have been obvious to one of skill in the art at the time the Appellants invention was made to provide the same or different terms for each transaction listed on the Carson statement (claim **17**); or
- That Carson discloses that the second offer is the same as the first offer (claim **18**).

Appellants thus respectfully assert that the Section 103(a) rejections in light of Carson and either “Official Notice”, or the examples in the Examiner’s Answer for what was purportedly “known” in the art, cannot stand, at least because these obviousness rejections are not supported with substantial evidence of any motivation to combine Carson with anything else in a manner that provides for all of the cited features of any claim.

VI. Claims 1-19 Are Directed to Statutory Subject Matter

Appellants incorporate by reference herein the arguments on pages 94 to 107 of the Appeal Brief traversing the 35 U.S.C. §101 rejections of claims **1-19**. In brief, Appellants attempted to explain why these claims are indeed directed to statutory subject matter, and that the claims produce a useful, concrete and tangible result. While Appellants believe that the previous remarks incorporated by reference herein show that claims **1-19** are statutory, provided below are further remarks to address statements made by the Examiner in the Examiner's Answer.

Appellants note that the U.S. Patent Office's own policy manual directs personnel to first identify whether a claim falls within at least one of the four enumerated categories of patentable subject matter, and recognizes that the question of whether a claim encompasses statutory subject matter should focus on the essential characteristic of the subject matter, in particular, its practical utility (See Manual of Patent Examining Procedure (MPEP) at §2106 IV. B.). Appellants respectfully submit that the billing statement recited by claim **1** falls within at least two statutory classes: an article of manufacture (for example a printed credit card statement), or a composition of matter (for example, an electronically displayed billing statement). Moreover, claim **1** does not recite a mere compilation of data, but instead claims a billing statement that includes a new and unobvious functional relationship between a description of a transaction on the billing statement and an offer pointer associated with the transaction. The offer pointer therefore has practical utility.

Appellants also note that the court in In re Gulak, 703 F. 2d 1381, 1885 (Fed. Cir. 1983) found that printed matter may constitute structural limitations upon which patentability can be predicated, and thus reversed an obviousness rejection of a claim covering an endless loop of paper with printed matter thereon,

where the only difference from the prior art was in the printed matter itself. Pending claim 1 recites a billing statement that could be a printed credit card billing statement, for example, wherein the difference from the prior art is in the printed offer pointer that is for use to review an offer. Thus, as in In re Gulak, in this example of a credit card billing statement, the printed offer pointer constitutes a structural limitation that is patentably distinct from the cited prior art.

Appellants also respectfully submit that the Examiner's assertions depart from the requisite legal analysis as set forth in the State Street Bank case. In particular, the Examiner argues that, because a consumer is "providing the functionality", the billing statement as claimed is "printed matter" that does not fall into a statutory class (See Examiner's Answer, page 12). But as explained above, the billing statement is an article of manufacture or a composition of matter, and in either case includes an offer pointer that *comprises information for use to review an offer*. A consumer could use the information stored on the statement to review an offer, which means the storing of the information on the statement is a useful, concrete and tangible result in the same way that storing a final share price (only temporarily) was a useful, concrete and tangible result in State Street Bank.

In view of the above remarks, Appellants respectfully submit that the Examiner's arguments on pages 11-13 of the Examiner's Answer departs from the policy outlined by the MPEP and departs from the requisite legal analysis, and thus the Section 101 rejection of claims **1-19** cannot stand.

VII. Conclusion

Appellants respectfully request that the Examiner's rejections be reversed for the reasons specified in this Reply Brief and in the Appeal Brief.

If any issues remain, or if there are any further suggestions for expediting allowance of the present application, please contact Stephan Filipek using the information provided below.

Appellants hereby request any extension of time that may be required to make this Reply Brief timely. Please charge any fees that may be required for this paper, or credit any overpayment, to Appellants' Deposit Account No. 50-0271.

Respectfully submitted,

December 19, 2007
Date

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